<center>**REMARKS**</center>

Applicant has carefully reviewed the Office Action dated June 29, 2006. Applicant has amended Claims 1, 6, 7, 9 and 11 to more clearly point out the present inventive concept. Applicant has cancelled Claim 5. Reconsideration and favorable action is respectfully requested.

Claims 1-3, 5 and 8-10 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of *Bueno*, *Claus et al.*, and *Gehlot*. This rejection is respectfully traversed with respect to the amended claims.

The Claims have been amended to clarify that the identification tag holder includes a processor disposed thereon that is operable to read the identification data and then is operable to validate the identification data tag utilizing the algorithm in the processor. This is based upon the read identification data from the identification tag. The processor then generates a verification signal for transmission. As such, this provides a self contained holder and verification system which requires a separate identification tag that is disposed in the holder.

The *Bueno* reference does not provide the ability to verify the user utilizing the on-board processor.

The *Bueno* reference is a reference that utilizes a smart card having a card number and also having stored thereon a count value, which count value can be varied. The combination of the count value and the card number are transmitted to a receiver. There is no verification transmitted; rather, all that is transmitted is a comparison from the card reader and the card number. Thus, *Bueno* fails to disclose the limitations set forth in the amended Claim 1. The *Claus et al.* reference and the *Gehlot* reference do not disclose these aspects and, therefore, Applicant respectfully requests withdrawal of the 35 U.S.C. § 103 rejection with respect to claims 1-3, 5 and 8-10.

With respect to Claims 4 and 6-7, the Examiner has rejected these claims in view of the combination of *Bueno*, *Claus*, and *Cudlitz*. This rejection is respectfully traversed with respect

to the amended claims.

With respect to Claims 4 and 7, Claim 7 indicates that there is a biometric data reader for reading biometric data unique to the user that is stored on the identification card. By comparison, the *Cudlitz* reference is a reference wherein the card and reader are all one item. There is no separate card that contains the biometric information and identification information wherein the biometric information is then compared with a biometric input. For example, it is required for the user to place the card into the reader, the reader download the data from the card and then the user place their finger over the fingerprint input. *Cudlitz* discloses only that a self contained processor is provided wherein it is activated when the user places their finger over the fingerprint reader. As such, Applicant does not believe that the *Cudlitz* reference discloses a concept of a separate passive card that has fixed biometric data stored therein with the combination of a separate holder that can receive the card, download the biometric information from the card and then do a comparison for the purpose of generating a verification signal. As such, Applicant believes that amended Claims 4 and 6-7 overcome the rejection with respect to 35 U.S.C. § 103(a) in view of the combined references of *Bueno*, *Claus et al.,* and *Cudlitz*. Applicant respectfully requests withdrawal of this rejection.

Claims 11-20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of *Bueno*, *Claus*, *Gehlot* and *Cudlitz*. This rejection is respectfully traversed with respect to the amended claims.

Claim 11 has been amended to clarify that the identification card is independent of the holder and the identification card includes the identification information disposed thereon such as the biometric input information. This information is downloaded to the card reader and then a conversion of the biometric input made in the form of a hash of the biometric data. This has of the biometric data is then transmitted for later comparison. Thus, a separate card with biometric data is provided which is inserted into a holder and, once inserted into the holder, then the actual input data is provided which data input and hash of the biometric data from the card can be transmitted to the receiver for comparison. This received identification data is then compared to a hash of the replicated hash, this replicated hash being the actual input of fingerprint data. As

such, Applicant believes that the *Cudlitz* reference, which is the primary reference for providing an input of biometric data, does not provide for transmitting the biometric data to a separate location for comparison with the actual data itself in order to do a verification. Further, the operation is set forth wherein the identification data in the form of the stored data from the card is sent without encoding, whereas the actual measured input is sent as a hash. As such, Applicant believes that Claim 11 is distinguished over the combination of *Bueno*, *Claus*, *Gehlot* and *Cudlitz* and, therefore, respectfully requests withdrawal of the 35 U.S.C. § 103 rejection with respect thereto. Claims 12-20 are also believed to have overcome this rejection, as they depend from Claim 11.

Applicant has now made an earnest attempt in order to place this case in condition for allowance. For the reasons stated above, Applicant respectfully requests full allowance of the claims as amended. Please charge any additional fees or deficiencies in fees or credit any overpayment to Deposit Account No. 20-0780/SVSN-26,380 of HOWISON & ARNOTT, L.L.P.

Respectfully submitted,
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